



# BUDGET WEEK

Committee on the Budget • Majority Caucus  
U.S. House of Representatives  
Jim Nussle, *Chairman*

309 Cannon House Office Building  
Washington, DC 20515 • (202) 226-7270  
Rich Meade, *Chief of Staff* • [www.budget.house.gov](http://www.budget.house.gov)

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Summarizing budgetary issues in legislation  
scheduled for the House floor

3 May 2004

Week of 3 May 2004

## SUSPENSION CALENDAR

1) ***Recognizing the Valuable Contributions of Military Impacted Schools, Teachers, Administration, and Staff for Their Ongoing Contributions to the Education of Military Children*** (H.Res. 598).



This resolution has no budget implications.

2) ***Congratulating Charter Schools and Their Students, Parents, Teachers, and Administrators Across the U.S. for Their Ongoing Contributions to Education*** (H.Res. 600).



This resolution has no budget implications.

3) ***Recognizing the Benefits and Importance of School-Based Music Education*** (H.Con.Res. 380).



This resolution has no budget implications.

4) ***Congratulating the University of Connecticut Huskies for Winning the 2004 NCAA Division I Men's and Women's Basketball Championships*** (H.Res. 599).



This resolution has no budget implications.

5) ***Congratulating the University of Denver Men's Hockey Team for Winning the 2004 NCAA Men's Hockey National Championship*** (H.Con.Res. 408).



This resolution has no budget implications.

6) ***Congratulating the Kennesaw State University Owls for Winning the 2004 NCAA Division II Men's Basketball National Championship*** (H.Res. 594).



This resolution has no budget implications.

7) ***Recognizing the Importance of Increasing Awareness of Autism, Supporting Programs for Increased Research and Improved Treatment of Autism, Improving Training and Support for Individuals with Autism and Those Who Care for Individuals with Autism*** (H.Res. 605).



This resolution has no budget implications.

8) ***To Amend the Safe Drinking Water Act to Reauthorize the New York City Watershed Protection Program*** (H.R. 2771).



This bill reauthorizes the New York City Watershed Protection Program for fiscal years 2004-10, and authorizes \$15 million annually for the program, subject to appropriations. Authority for the program

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**PLEASE NOTE:** This document addresses budgetary issues only. It should not be taken to address support or opposition on any other grounds. A green flag indicates no serious budgetary or budget compliance concerns. A yellow flag indicates moderate or potential problems. A red flag indicates serious problems. **Also note:** Floor schedules and legislative details are subject to change after publication. Conference reports may be scheduled at any time.

This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and therefore may not reflect the views of all the committee's members.

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expired at the end of fiscal year 2003. The Environmental Protection Agency provides the State of New York with grants to assist in protecting New York City's water supply sources. The bill neither increases direct spending – spending not subject to appropriations – nor reduces revenue.

9) ***Small Public Housing Authority Act*** (H.R. 27). 

This bill exempts small housing authorities – those administering 100 or fewer units of assisted housing – from the requirement to prepare annual public housing agency plans. Such plans outline low-income housing needs in the jurisdictions served by the public housing agencies, and identify strategies to address those needs. The exemption in this bill applies to both public housing units and vouchers. The bill neither increases direct spending nor reduces revenue.

10) ***Expressing the Sense of the House of Representatives Regarding the Urgent Need for Freedom, Democratic Reform, and International Monitoring of Elections, Human Rights, and Religious Liberty in the Lao People's Democratic Republic*** (H.Res. 402). 

This resolution has no budget implications.

11) ***Expressing the Sense of Congress Regarding the Arbitrary Detention of Dr. Wang Bingzhang by the Government of the People's Republic of China and Urging His Immediate Release*** (H.Con.Res. 326). 

This resolution has no budget implications.

12) ***Expressing the Concern of Congress Over Iran's Development of the Means to Produce Nuclear Weapons*** (H.Con.Res. 398). 

This resolution has no budget implications.

#### LEGISLATION CONSIDERED UNDER A RULE

**Bill:** ***Middle-Class Alternative Minimum Tax Relief Act of 2004*** (H.R. 4227). 

**Committee:** Ways and Means

**Summary:** This bill extends for 1 year (through 31 December 2005) the individual alternative minimum tax [AMT] exemption amounts of \$58,000 of income for joint filers and \$40,250 for single filers. These exemption levels – which were increased from \$45,000 for joint filers and \$33,750 for single filers by the Jobs and Growth Tax Relief Reconciliation Act of 2003 – otherwise will expire on 31 December 2004, exposing certain middle-income taxpayers to a tax increase. The bill also adjusts the exemption amounts for inflation in 2005.

**Budget Impact:** The Joint Committee on Taxation [JCT] has not provided a revenue estimate for H.R. 4227, although one is expected later this week. The President's budget for fiscal year 2005 includes this policy proposal, along with additional AMT relief. The JCT estimates that implementing the 1-year extension of the exemption increase, along with a 2-year extension of a taxpayer's ability to use nonrefundable personal credits against the AMT, would reduce revenue by \$53 million in fiscal year 2004, and by \$23.168 billion over fiscal years 2004-08. Because the JCT elsewhere has estimated that extending the ability to use nonrefundable personal credits against AMT would reduce revenue by about \$311 million annually, it can be assumed that H.R. 4227 would reduce revenue by approximately \$22.546 billion over fiscal years 2004-08.

For purposes of the budget resolution conference report expected to be agreed to for fiscal year 2005, the applicable enforcement periods would be as follows: the bill would reduce revenue by approximately \$8.4 billion in fiscal year 2005, and by approximately \$22.5 billion over fiscal years 2005-09.

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**Budget Act:** It is uncertain whether a conference report on the budget resolution for fiscal year 2005 – which will govern budget enforcement of bills brought to the floor – will be completed and agreed to before H.R. 4227 is considered. Until then, the budget resolution for fiscal year 2004 remains in force. H.R. 4227 will not violate the terms of the fiscal year 2004 budget resolution, and is not expected to violate the terms of the fiscal year 2005 budget resolution once completed. Therefore it is not expected to violate any points of order under the provisions of the Congressional Budget Act.

**Prepared by** ..... **The Committee on the Budget**

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